

RESOLUTION NO. _____

**A RESOLUTION OF THE REDEVELOPMENT AGENCY OF THE CITY OF MILPITAS
 APPROVING AND ADOPTING THE SUPPLEMENT TO THE AGENCY'S REPORT TO THE
 CITY COUNCIL ON THE PROPOSED THIRTEENTH AMENDMENT TO THE
 REDEVELOPMENT PLAN FOR THE MILPITAS REDEVELOPMENT PROJECT AREA NO. 1
 AND THE PROPOSED SIXTH AMENDMENT TO THE REDEVELOPMENT PLAN FOR THE
 GREAT MALL REDEVELOPMENT PROJECT AND SUBMITTING SAID SUPPLEMENT TO THE
 CITY COUNCIL OF THE CITY OF MILPITAS**

WHEREAS, by Resolution No. 230, adopted on June 3, 1958, the City Council of the City of Milpitas ("City Council") formed the Milpitas Redevelopment Agency ("Agency") to formulate a redevelopment project or projects within the City of Milpitas; and

WHEREAS, on September 21, 1976, by Ordinance No. 192, the City Council adopted the redevelopment plan ("Redevelopment Plan" or "Plan") for the Milpitas Redevelopment Project Area No. 1 ("Original Project Area"); and

WHEREAS, the Redevelopment Plan has been amended a total of twelve (12) times (as amended, the "Existing Plan") to, among other things, add area to the Original Project Area (as amended, the "Project Area"), merge the Project Area with the Great Mall Redevelopment Project, increase the tax increment and bonded indebtedness limits, and extend the dates to incur debt, repay debt and collect tax increment; and

WHEREAS, on November 2, 1993, by Ordinance No. 192.8, the City Council adopted the redevelopment plan for the Great Mall Redevelopment Project ("Great Mall Redevelopment Plan"); and

WHEREAS, the Great Mall Redevelopment Plan has been amended a total of five (5) times to, among other things, add territory and merge with Project Area No. 1 (the "Merged Project Area"); and

WHEREAS, the Agency again desires to amend the Existing Plan ("Thirteenth Amendment" or "Amendment") to: 1) extend by 10 years the effectiveness time limit and time period to repay debt/collect tax increment of the Original Project Area and Amendment Areas No. 1 and 2 (collectively, the Original Project Area and Amendment Areas No. 1 and 2 are referred to as the "Amendment Areas"); 2) repeal the debt establishment limit for the Amendment Areas; 3) increase the tax increment limit and bonded indebtedness limit and exclude the Midtown Added Area from the tax increment limit; 4) add projects and facilities to the list of eligible projects and facilities the Agency may fund; 5) reinstate eminent domain over non-residential uses in the Amendment Areas; 6) add territory totaling approximately 600 acres ("Thirteenth Amendment Added Area" or "Added Area"); and 7) make certain technical corrections, revise and update the various text provisions within the Redevelopment Plan to conform to the requirements of the California Community Redevelopment Law (Health & Safety Code Section 33000, *et seq.*; "CRL"); and

WHEREAS, the Agency is proposing to concurrently amend (the "Sixth Amendment") the Redevelopment Plan for the Great Mall Redevelopment Project ("Great Mall Project") to delete a non-contiguous area developed with a freeway sign ("Sixth Amendment Deleted Area"); the area identified for deletion is within the area proposed to be added to Project Area No. 1; and

WHEREAS, on August 4, 2009, by Resolution No. 7909, the City Council designated a redevelopment survey area and directed the Planning Commission of the City of Milpitas ("Planning Commission") to select the boundaries of the area proposed to be included within the Thirteenth Amendment Added Area from within the boundaries of the redevelopment survey area and formulate a preliminary plan for the redevelopment of the proposed Thirteenth Amendment Added Area; and

WHEREAS, on September 9, 2009, by Resolution No. 09-043 the Planning Commission selected and designated the boundaries of the Thirteenth Amendment Added Area, approved a Preliminary Plan for the Thirteenth Amendment Added Area ("Preliminary Plan"), and submitted said Preliminary Plan to the Agency; and

WHEREAS, on October 6, 2009, the Agency, by Resolution No. RA346, accepted the Preliminary Plan and directed preparation of the Preliminary Report for the Thirteenth Amendment and the transmittal of certain information to taxing officials; and

WHEREAS, the Agency has prepared a proposed Amended and Restated Redevelopment Plan incorporating the Thirteenth Amendment (“Amended and Restated Redevelopment Plan”) and has prepared the form of the proposed Sixth Amendment (collectively, the Thirteenth Amendment and the Sixth Amendment are referred to as the “Amendments”); and

WHEREAS, on December 1, 2009, by Resolution No. RA349, the Agency approved the Preliminary Report for the Thirteenth Amendment to the Redevelopment Plan for Milpitas Redevelopment Project Area No. 1 and the Sixth Amendment to the Redevelopment Plan for the Great Mall Redevelopment Project and authorized transmittal of the report to the affected taxing agencies, the Department of Finance (“DOF”), the Department of Housing and Community Development (“HCD”) and other interested persons and organizations; and

WHEREAS, on December 1, 2009, by Resolution No. RA350, the Agency received the Amendments and authorized the transmittal of the Amendments to the Planning Commission for its report and recommendation and to the affected taxing agencies and other interested persons and organizations; and

WHEREAS, on December 1, 2009, by Resolution No. RA351, the Agency accepted and authorized the circulation of the Draft Environmental Impact Report prepared for the Amendments; and

WHEREAS, on December 1, 2009, by Resolution No. 7942, the City Council determined that a Project Area Committee need not be formed in the preparation of the Amendments and directed the Amendments be provided to and the Agency consult with residents, property owners, business owners, and existing civic and business organizations; and

WHEREAS, on December 9, 2009, the Planning Commission, by Resolution No. 09-056, determined the Amendments to be consistent with the City of Milpitas General Plan and recommended that the Agency and City Council approve and adopt the Amendments; and

WHEREAS, on February 16, 2010, the Agency, by Resolution No. RA362, approved and adopted the Agency’s Report to City Council on the proposed Amendments, submitted said Report and proposed Amendments to the City Council and consented to a joint public hearing with the City Council on the Amendments; and

WHEREAS, on February 16, 2010, the City Council, by Resolution No. 7961, acknowledged receipt of the Report to City Council and the Amendments from the Agency and consented to call a joint public hearing with the Agency on the Amendments; and

WHEREAS, on March 2, 2010, the Agency, by Resolution No. RA366, amended the Rules Governing Participation by Property Owners and the Extension of Reasonable Preferences to Business Occupants in Milpitas Redevelopment Project Area No. 1; and

WHEREAS, following adoption of the Report to City Council, additional information has become available and the Agency has caused to be prepared a Supplement to the Report to City Council on the proposed Amendments (“Supplement”) containing said information; and

WHEREAS, the Supplement has been submitted to and reviewed by the members of the governing board of the Agency.

NOW, THEREFORE, the Board of the Milpitas Redevelopment Agency hereby finds, determines, and resolves as follows:

Section 1. The foregoing recitals are true and correct and are a substantive part of this Resolution.

Section 2. The Agency hereby approves and adopts the Supplement to the Agency’s Report to City Council prepared for the proposed Amendments.

Section 3. The Agency hereby submits the Supplement to the City Council of the City of Milpitas.

PASSED, APPROVED AND ADOPTED this _____ day of _____, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

APPROVED:

Mary Lavelle, Agency Secretary

Robert Livengood, Chair

APPROVED AS TO FORM:

Michael J. Ogaz, Agency Counsel

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MILPITAS ACKNOWLEDGING RECEIPT OF THE SUPPLEMENT TO THE AGENCY'S REPORT TO THE CITY COUNCIL ON THE PROPOSED THIRTEENTH AMENDMENT TO THE REDEVELOPMENT PLAN FOR THE MILPITAS REDEVELOPMENT PROJECT AREA NO. 1 AND THE PROPOSED SIXTH AMENDMENT TO THE REDEVELOPMENT PLAN FOR THE GREAT MALL REDEVELOPMENT PROJECT

WHEREAS, by Resolution No. 230, adopted on June 3, 1958, the City Council of the City of Milpitas ("City Council") formed the Milpitas Redevelopment Agency ("Agency") to formulate a redevelopment project or projects within the City of Milpitas; and

WHEREAS, on September 21, 1976, by Ordinance No. 192, the City Council adopted the redevelopment plan ("Redevelopment Plan" or "Plan") for the Milpitas Redevelopment Project Area No. 1 ("Original Project Area"); and

WHEREAS, the Redevelopment Plan has been amended a total of twelve (12) times (as amended, the "Existing Plan") to, among other things, add area to the Original Project Area (as amended, the "Project Area"), merge the Project Area with the Great Mall Redevelopment Project, increase the tax increment and bonded indebtedness limits, and extend the dates to incur debt, repay debt and collect tax increment; and

WHEREAS, on November 2, 1993, by Ordinance No. 192.8, the City Council adopted the redevelopment plan for the Great Mall Redevelopment Project ("Great Mall Redevelopment Plan"); and

WHEREAS, the Great Mall Redevelopment Plan has been amended a total of five (5) times to, among other things, add territory and merge with Project Area No. 1 (the "Merged Project Area"); and

WHEREAS, the Agency again desires to amend the Existing Plan ("Thirteenth Amendment" or "Amendment") to: 1) extend by 10 years the effectiveness time limit and time period to repay debt/collect tax increment of the Original Project Area and Amendment Areas No. 1 and 2 (collectively, the Original Project Area and Amendment Areas No. 1 and 2 are referred to as the "Amendment Areas"); 2) repeal the debt establishment limit for the Amendment Areas; 3) increase the tax increment limit and bonded indebtedness limit and exclude the Midtown Added Area from the tax increment limit; 4) add projects and facilities to the list of eligible projects and facilities the Agency may fund; 5) reinstate eminent domain over non-residential uses in the Amendment Areas; 6) add territory totaling approximately 600 acres ("Thirteenth Amendment Added Area" or "Added Area"); and 7) make certain technical corrections, revise and update the various text provisions within the Redevelopment Plan to conform to the requirements of the California Community Redevelopment Law (Health & Safety Code Section 33000, *et seq.*; "CRL"); and

WHEREAS, the Agency is proposing to concurrently amend (the "Sixth Amendment") the Redevelopment Plan for the Great Mall Redevelopment Project ("Great Mall Project") to delete a non-contiguous area developed with a freeway sign ("Sixth Amendment Deleted Area"); the area identified for deletion is within the area proposed to be added to Project Area No. 1; and

WHEREAS, on August 4, 2009, by Resolution No. 7909, the City Council designated a redevelopment survey area and directed the Planning Commission of the City of Milpitas ("Planning Commission") to select the boundaries of the area proposed to be included within the Thirteenth Amendment Added Area from within the boundaries of the redevelopment survey area and formulate a preliminary plan for the redevelopment of the proposed Thirteenth Amendment Added Area; and

WHEREAS, on September 9, 2009, by Resolution No. 09-043, the Planning Commission selected and designated the boundaries of the Thirteenth Amendment Added Area, approved a Preliminary Plan for the Thirteenth Amendment Added Area ("Preliminary Plan"), and submitted said Preliminary Plan to the Agency; and

WHEREAS, on October 6, 2009, the Agency, by Resolution No. RA346, accepted the Preliminary Plan and directed preparation of the Preliminary Report for the Thirteenth Amendment and the transmittal of certain information to taxing officials; and

WHEREAS, the Agency has prepared a proposed Amended and Restated Redevelopment Plan incorporating the Thirteenth Amendment ("Amended and Restated Redevelopment Plan") and has prepared the form of the proposed Sixth Amendment (collectively, the Thirteenth Amendment and the Sixth Amendment are referred to as the "Amendments"); and

WHEREAS, on December 1, 2009, by Resolution No. RA349, the Agency approved the Preliminary Report for the Thirteenth Amendment to the Redevelopment Plan for Milpitas Redevelopment Project Area No. 1 and the Sixth Amendment to the Redevelopment Plan for the Great Mall Redevelopment Project and authorized transmittal of the report to the affected taxing

agencies, the Department of Finance (“DOF”), the Department of Housing and Community Development (“HCD”) and other interested persons and organizations; and

WHEREAS, on December 1, 2009, by Resolution No. RA350, the Agency received the Amendments and authorized the transmittal of the Amendments to the Planning Commission for its report and recommendation and to the affected taxing agencies and other interested persons and organizations; and

WHEREAS, on December 1, 2009, by Resolution No. RA351, the Agency accepted and authorized the circulation of the Draft Environmental Impact Report prepared for the Amendments; and

WHEREAS, on December 1, 2009, by Resolution No. 7942, the City Council determined that a Project Area Committee need not be formed in the preparation of the Amendments and directed the Amendments be provided to and the Agency consult with residents, property owners, business owners, and existing civic and business organizations; and

WHEREAS, on December 9, 2009, the Planning Commission, by Resolution No. 09-056, determined the Amendments to be consistent with the City of Milpitas General Plan and recommended that the Agency and City Council approve and adopt the Amendments; and

WHEREAS, on February 16, 2010, the Agency, by Resolution No. RA362, approved and adopted the Agency’s Report to City Council on the proposed Amendments, submitted said Report and proposed Amendments to the City Council and consented to a joint public hearing with the City Council on the Amendments; and

WHEREAS, on February 16, 2010, the City Council, by Resolution No. 7961, acknowledged receipt of the Report to City Council and the Amendments from the Agency and consented to and called for a joint public hearing with the Agency on the Amendments; and

WHEREAS, on March 2, 2010, the Agency, by Resolution No. RA366 amended the Rules Governing Participation by Property Owners and the Extension of Reasonable Preferences to Business Occupants in Milpitas Redevelopment Project Area No. 1; and

WHEREAS, following adoption of the Report to City Council additional information has become available and the Agency has caused to be prepared a Supplement to the Report to City Council on the proposed Amendments (“Supplement”) containing said information; and

WHEREAS, on April 6, 2010, by Resolution No. RA_____, the Agency adopted and submitted the Supplement to the City Council.

NOW, THEREFORE, the City Council of the City of Milpitas hereby finds, determines, and resolves as follows:

Section 1. The foregoing recitals are true and correct and are a substantive part of this resolution.

Section 2. The City Council hereby acknowledges receipt of the Supplement to the Agency’s Report to the City Council prepared for the proposed Amendments pursuant to CRL Sections 33352, 33451.5 and 33333.11.

PASSED, APPROVED AND ADOPTED this ____ day of _____, by the following vote:

- AYES:
- NOES:
- ABSENT:
- ABSTAIN:

ATTEST:

APPROVED:

Mary Lavelle, City Clerk

Robert Livengood, Mayor

APPROVED AS TO FORM:

Michael J. Ogaz, City Attorney

**SUPPLEMENT
TO THE
REPORT TO THE CITY COUNCIL
for the
THIRTEENTH AMENDMENT
to the
REDEVELOPMENT PLAN
for the
MILPITAS REDEVELOPMENT PROJECT AREA NO. 1
and the
SIXTH AMENDMENT
to the
REDEVELOPMENT PLAN
for the
GREAT MALL REDEVELOPMENT PROJECT**

Prepared for:

**REDEVELOPMENT AGENCY
OF THE CITY OF MILPITAS**

March 2010

**SUPPLEMENT
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Prepared for:

**REDEVELOPMENT AGENCY
OF THE CITY OF MILPITAS**

March 2010

Prepared by:

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- EXHIBIT B - Final Environmental Impact Report

I. INTRODUCTION

A. REASONS FOR THE PREPARATION OF A SUPPLEMENT TO THE REPORT TO THE CITY COUNCIL

As required by Sections 33352, 33451.5 and 33333.11 of the California Community Redevelopment Law (“CRL”), the Milpitas Redevelopment Agency (“Agency”) prepared a Report to the City Council (“Report to Council” or “Report”) for the proposed Thirteenth Amendment to the Redevelopment Plan for the Milpitas Redevelopment Project Area No. 1 and the Sixth Amendment to the Redevelopment Plan for the Great Mall Redevelopment Project (collectively, the Thirteenth Amendment and the Sixth Amendment are hereafter referred to as the “Amendments”). The Agency approved and adopted the Report and authorized the transmittal of the Report to the City Council on February 16, 2010. The City Council acknowledged receipt of the Report on February 16, 2010. The City Council and Agency Board are scheduled to hold a joint public hearing to consider the proposed Amendments on April 6, 2010.

Since the adoption of the Report, additional information has become available that supplements the information contained within the Report. At the time the Agency adopted the Report, the Agency had scheduled, but not yet conducted a community information meeting on the Amendments. A summary of the community information meeting is included within this Supplement to the Report to the City Council (“Supplement”). Also, this Supplement contains the Final Environmental Impact Report (“Final EIR”) prepared for the Amendments which was circulated on March 3, 2010.

B. ORGANIZATION OF THE SUPPLEMENT

The part and section numbers contained in this Supplement correspond to the part and section numbers used in the Report to the City Council. The following pages contain the whole section of each section within the Report that was updated with the additional information. This Supplement addresses the following sections within the Report:

1. Summary of Community Consultations (Section XI) – incorporates revisions to third and fourth paragraphs and the addition of a fifth and a sixth paragraph to this section. These changes reflect that the noticing for the joint public hearing has occurred or is occurring, and includes a summary of the community meeting including interests and concerns expressed by those in attendance at the meeting. Also, summarized and included as Exhibit A, is a letter received by WP Investments stating their opposition to being included in the Added Area.
2. Environmental Compliance (Environmental Impact Report) (Section XII) –incorporates the Final Environmental Impact Report by reference (Exhibit B).

XI. SUMMARY OF COMMUNITY CONSULTATIONS

Sections 33352(i) and 33333.11(h)(3) of the CRL require that the Agency's Report to the City Council contain the summary referred to in Section 33387. Section 33387 of the CRL refers to the consultations with the Project Area Committee ("PAC") and the record of information exchanged between the PAC and the Agency. A PAC is required to be formed when: (1) a substantial number of low income person or moderate income persons, or both, reside within the Project Area, and the Redevelopment Plan as adopted will contain authority for the Agency to acquire, by eminent domain property on which any persons reside; and (2) the Redevelopment Plan as adopted contains one or more public projects that will displace a substantial number of low income or moderate income persons or both.

The proposed Amendments do not include eminent domain authority over properties which are occupied as a residence. On December 1, 2009, the City Council adopted Resolution No. 7942, finding and determining that, because neither the proposed Thirteenth Amendment or Sixth Amendment contain authority for the Agency to use eminent domain to acquire properties occupied as a residence, a PAC need not be formed in connection with the proposed Amendments. The City Council directed that the proposed Amendments be provided to residents, property owners, business owners, and existing civic and business organizations and that Agency staff consult with and obtain the advice of such persons and organizations concerning policy matters affecting the residents of the Project Areas.

Per CRL Sections 33349, 33452 and 33333.11, the Agency sent a first class mailing containing the required notice of joint public hearing of the Agency and City Council on the proposed adoption of the Amendments (joint public hearing) to the last known assessee (the "property owner") of each parcel of land and to all tenants and business owners within the existing Project Areas and proposed Added Area. This notice contained a letter explaining the purpose of the joint public hearing and other pertinent information such as the meeting date, time and location. The notice of joint public hearing is also being published in *The Milpitas Post* for five (5) consecutive weeks, in compliance with CRL Sections 33349, 33361, 33452 and 33333.11. Included with the notice of the joint public hearing is an invitation to attend a community information meeting prior to the hearing to provide a casual forum in which people could ask City staff and consultants questions and comments on the proposed Amendments.

A community information meeting was held on March 25, 2010, and was attended by approximately 25 people. The information meeting included a PowerPoint presentation on the fundamentals and purpose of redevelopment, the proposed Amendments, the reasons for the Amendments, Agency accomplishments and proposed projects. Copies of the Amended and Restated Redevelopment Plan for Project Area No. 1 (incorporating the Thirteenth Amendment), the Sixth Amendment and the Rules Governing Participation by Property Owners and the Extension of Reasonable Preferences to Business Occupants in the Milpitas Redevelopment Project Area No. 1 were available.

Staff reviewed the goals and history of redevelopment activities in the Project Areas and gave specific examples of infrastructure and affordable housing projects that had been funded or assisted through redevelopment. Staff also discussed other types of possible redevelopment activities such as façade improvement program, assistance for business modernization and expansion, and ways to market Milpitas as a place to do business. Most of the concerns expressed centered on the authority of eminent domain and how individual properties could be affected. There was also interest expressed in the redevelopment of the Milpitas Midtown area to reclaim it as a more viable amenity to the City. Staff and the consultants answered questions and those attending appeared to appreciate the time spent and effort made by the City in its redevelopment program.

In addition, to the input received at the community information meeting, staff received a letter from Dave Denton on behalf of WP Investments, which owns property at 985 Montague (former Jone's Chemical site) in the proposed Added Area. The owner stated that while he believes that the City and WP Investments had the same goals for quality redevelopment of the property, he did not believe that some of the rights as owners WP Investments may forgo by being included in the Added Area was worth the potential benefit. Therefore, WP Investments objected to being included in the Added Area. The letter from WP Investments is provided as Exhibit B to this Supplement. The Agency is required to make written findings in response to each written objection received before or at the joint public hearing from an affected property owner or taxing entity. On April 20, 2010, the City Council will adopt written findings in response to the written objection received from WP Investments prior to acting on adoption of the Amendments.

XII. ENVIRONMENTAL COMPLIANCE (ENVIRONMENTAL IMPACT REPORT)

Sections 33352(k) and 33333.11(h)(3) of the CRL require that the Agency's Report to the City Council contain the report required by Section 21151 of the Public Resources Code ("Environmental Impact Report"). The Draft Environmental Impact Report ("Draft EIR") is included under a separate cover and is an attachment to this Report and is incorporated herein by this reference. The Draft EIR contains the existing conditions, impacts and mitigation measures and other contents required by the California Environmental Quality Act Guidelines (Title 14 California Code of Regulations, Section 15000 *et seq.*). The following is a summary of the issues and impacts identified in the Notice of Preparation/Initial Study ("NOP") and the Draft EIR.

NOP

The NOP prepared for the Draft EIR identified the following issues as having effects that were found not to be significant and, therefore, no further analysis within the Draft EIR was determined necessary:

- Aesthetics
- Agricultural Resources
- Biological Resources
- Geology and Soils
- Hydrology and Water Quality
- Land Use and Planning
- Mineral Resources
- Population and Housing
- Recreation

The NOP identified the following issues as having potential impacts as a result of the implementation of the proposed Amendments, which required the preparation of a Draft EIR and included the existing conditions, analysis of the impacts, and, as necessary, mitigation measures to reduce those impacts to a less-than-significant level:

- Air Quality
- Cultural Resources
- Hazards and Hazardous Materials
- Noise
- Public Services
- Transportation/Traffic
- Utilities and Service Systems

The NOP was circulated by the Agency on September 9, 2009, for review by responsible agencies. The Agency received three comment letters including the Governor's Office of Planning and Research, the County of Santa Clara Roads and Airport Department, and the Santa Clara Valley Transportation Authority. These letters are included in an appendix to the Draft EIR.

The letter from the Governor's Office of Planning and Research was a copy of the letter sent to reviewing agencies notifying the agencies of the comment period for the NOP. The County of Santa Clara Road and Airport Department commented that the Draft EIR traffic impact analysis ("TIA") include but not be limited to Montague Expressway, San Thomas Expressway and Lawrence Expressway and provide mitigation measures. The Santa Clara Valley Transportation Authority had three comments: (1) clarify which tracks the plan may realign or remove within the project area and possible stakeholders; (2) change the reference for the Added Area boundary from I-880 to I-680; and (3) clarify which plans, policies, or programs will be affected as a result of the adoption of the amendment.

Draft EIR

The Draft EIR prepared for the Amendments included an analysis of the potential impacts that could result from the implementation of the time and financial amendments, eminent domain for non-residential uses, and the addition of territory. It was the conclusion of the Draft EIR that the Amendments would encourage development that could result in potential environmental impacts that may be significant and unavoidable even with mitigation measures. These impacts may include greenhouse gas emissions that exceed air district thresholds and contribute to global climate change, further reductions in traffic levels of service within the Amendment Areas and proposed Added Area at currently impacted intersections and street segments, and further reductions in levels of service on currently impacted freeway segments.

The Draft EIR, incorporated by reference, was circulated to the affected taxing entities and responsible environmental agencies for review for not less than 45 days. The Agency received two comment letters on the Draft EIR from the Department of Toxic Substances Control and the Department of Transportation. The Department of Toxic Substances Control noted that there were 411 sites on various state and federal environmental databases within the Project Area and offered assistance in overseeing characterization and cleanup activities. The Department of Transportation suggested that the Draft EIR: 1) include maps showing impacted roadway and freeway segments and intersections; 2) identify improvement projects for the Great Mall Parkway listed in the 2035 Valley Transportation Plan; and 3) provide additional congestion management measures. In addition, the Department of Transportation advised that an encroachment permit would be required for any improvements in the "State Right of Way."

Final EIR

In response to the request from the Department of Transportation to analyze the Great Mall Parkway, the Final EIR noted that the Draft EIR listed all projects identified in the Transportation 2035 Plan for the San Francisco Bay Area, including those for the Great Mall Parkway. Also, the Amendments would not change land uses or generate any traffic impacts that were not previously considered in the 2035 Plan. The Final EIR also acknowledged the encroachment permit requirement. The Final EIR was circulated March 3, 2010, for a ten-day review period ending on March 12, 2010. A copy of the Final EIR is provided as Exhibit B to this Supplement. The Final EIR includes copies of the letters referenced above, detailed responses to the letters and the proposed Mitigation Monitoring Program.

EXHIBIT A

Letter from WP Investments



REAL ESTATE
DEVELOPMENT
AND
INVESTMENTS

March 8, 2010

Via E-mail & Certified Mail

Ms. Diana Barnhart
CITY OF MILPITAS
455 East Calaveras Blvd.
Milpitas, CA 95035-5479

RE: 985 Montague/Former Jones' Chemical Site

Dear Ms. Barnhart,

It was a pleasure talking to you today regarding your letter dated March 5, 2010, advising us of the upcoming Public Hearing on April 6, 2010 to consider the proposed Thirteenth Amendment to the Redevelopment Plan. Our 4.6 acre site at 985 Montague (formerly known as the Jones' Chemical Site) is under consideration to be included in the "Added Area". Though I believe we, and the City of Milpitas, are on the same wavelength with regard to quality redevelopment of that site, I do not believe some of the rights we might forgo by allowing the property to be included in the "Added Area", are worth the potential benefits of being included in the Redevelopment Area. Accordingly, please consider this formal notice to the City of Milpitas and the Milpitas Redevelopment Agency, that we object to being included in the "Added Area".

By the way, our environmental consultants (LFR/Arcadis), have advised us that the ground water contaminants at the 985 site has now been substantially remediated, and that, going forward, the remaining issue with future development will be how to mitigate the vapor trapped in the soil. Please do not hesitate to call with any questions you may have.

Sincerely,

WP INVESTMENTS

Dave Denton

DD:tsm

S:DD1/Barnhart, D. - City of Milpitas (13th Amdmt)

EXHIBIT B

Final Environmental Impact Report

for the

Proposed Thirteenth Amendment to the Redevelopment Plan for Milpitas
Redevelopment Project Area No. 1 and the Sixth Amendment to the Redevelopment
Plan for the Great Mall Redevelopment Project

Please Refer to Exhibit 12 in the Official Binder